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ABSTRACT

The efforts of Kentucky State University to inaugurate a comprehensive development program to increase private financial support for essential programs are described. The 14 major objectives established by the institution's development office in 1982 and the programmatic approaches used over a period of 7 years to achieve each objective, are featured. Highlights include: the university's annual fund drive; alumni participation; special fund-raising programs; endowment building efforts; research, preparation, and submission of competitive proposals to outside funding agencies; and major donor identification and cultivation programs. Particularly significant in the remarkable results achieved by the university are the institution's restricted access to wealth and the limited resources allocated by the university in support of its development program. For 2 years, the program has been recognized nationally for its effectiveness. (Author/MSE)

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Building A Successful Fund-Raising Program For A Small, Public, Historically Black University: 1982-1989

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AASCU/ERIC Model Programs Inventory Project

The AASCU/ERIC Model Programs Inventory is a two-year project seeking to establish and test a model system for collecting and disseminating information on model programs at AASCU-member institutions--375 of the public four-year colleges and universities in the United States.

The four objectives of the project are:

- To increase the information on model programs available to all institutions through the ERIC system
- To encourage the use of the ERIC system by AASCU institutions
- To improve AASCU's ability to know about, and share information on, activities at member institutions, and
- To test a model for collaboration with ERIC that other national organizations might adopt.

The AASCU/ERIC Model Programs Inventory Project is funded with a grant from the Fund for the Improvement of Postsecondary Education to the American Association of State Colleges and Universities, in collaboration with the ERIC Clearinghouse on Higher Education at The George Washington University.

2. Abstract

This report chronicles the efforts during the period 1982-1989 of Kentucky State University, Kentucky's small, public, historically black higher education institution, to inaugurate a comprehensive development program to increase private-source financial support for those programs deemed most essential by the University.

Featured are the 14 major objectives established by the institution's Office of Development in 1982 and the programmatic approaches utilized over a period of seven years to achieve each objective. Highlighted are the University's Annual Fund Drive; alumni participation rate; special fund-raising programs; endowment building efforts; research, preparation, and submission of competitive proposals to outside funding agencies; and, major donor identification and cultivation programs.

Particularly significant to the remarkable fund-raising results achieved by the University are the institution's restricted access to wealth and the limited resources allocated by the University in support of its development program.

In 1987 and again in 1988, the University's development program was recognized by the Council for the Advancement and Support of Education (CASE) as one of the nation's finest.

3. Introduction

Kentucky State University, the Commonwealth's historically black, public higher education institution, did not have prior to 1982 a viable development (fund-raising) program. Further, the institution's cost per student in 1982 was the highest among Kentucky's eight public higher education institutions.

Arguably, the University had been subjected since its founding in 1886 to a level of public support that was less than that level provided to Kentucky's other public higher education institutions. Throughout most of its 100-plus years, Kentucky State's existence had been periodically threatened. In 1981, an Interim Joint Committee on Appropriations and Revenue of the Kentucky General Assembly came within one vote of recommending that Kentucky State University be closed or be incorporated into Kentucky's system of two-year community colleges; however, the United States Department of Education's Office of Civil Rights forced the Commonwealth to adopt a desegregation plan that would desegregate Kentucky's system of public higher education, and most significantly, required the state to provide a level of funding for Kentucky State that was comparable to the level of funding provided to the other public higher education institutions in the state.

A revised mission in public higher education was adopted in 1981 for Kentucky State that provided the institution with its own unique mission; that being, to be the Commonwealth's small, public, liberal studies institution

with the lowest student-faculty ratio in the state system. Specifically, the University's revised mission stated the following:

> Kentucky State University shall serve as a residential institution with a range of traditional collegiate programs appropriate to its role as the unique, small, liberal studies institution with the lowest student- faculty ratio in the state system. The University shall focus on the needs of its student body, which includes but is not limited to full-time and part-time residential students, commuting students from its primary service area, and state governmental employees; and on the expanding instruction, applied research and service needs of state government. Associate and baccalaureate degree programs should be oriented toward liberal studies, selected career opportunities related to state governmental services and related human and public services.
>
> At the master's degree level, the University should emphasize public administration curricula to meet the needs of state government. These programs should be carefully articulated with related doctoral programs offered by the doctoral-granting institutions in the system. Other graduate offerings should be provided through a multi-institutional graduate education center administered by Kentucky State University.
>
> Kentucky State University, as one of two land grant institutions in the system, should carry out its responsibilities under federal law and participate fully in appropriate U.S. Department of Agriculture programs, placing emphasis on activities that are in accord with the mission of the institution.
>
> Kentucky State University should strive to become a major repository for the collection of books, records, and artifacts relative to its history in educating black citizens of the Commonwealth and should make such materials available for casual and scholarly study.

During the late 1970s and early 1980s, at the same time that the University's student composition was transitioning from predominately black to predominately white, the state's projected revenues suffered severe shortfalls that necessitated cutbacks in funding for public higher educa-

tion. These cutbacks further restricted the University's ability to provide competitive faculty salaries and to provide sufficient maintenance for its facilities.

In 1982 the University leadership changed. Under the direction of a new, young, dynamic President, Kentucky State inaugurated a fund-raising program to meet the ever-increasing demands for student scholarships, faculty enrichment, academic resources, and for enhanced student support services. This development program was initiated by inexperienced staff within a largely hostile environment. Two independent studies undertaken on behalf of the University, one in 1983 and the second in 1988, confirmed that Kentuckians' perceptions of Kentucky State placed the University in relatively low esteem in comparison with the state's other public higher education institutions. Also, the University's internal environment had changed radically during the preceding decade and was in 1982 far different than that experienced by most of the institution's graduates. While the University's older graduates did not want the institution to change its basic purpose, (i.e., the education and training of black students) the institution's student enrollment through the dictates of market demand had in 1982 become dominated by part-time and full-time white commuting students with limited affiliation with the University outside of the classroom.

Burdened with seemingly insurmountable odds, this report delineates how Kentucky State built one of the best development programs in the United States. In 1987, the Council for the Advancement and Support of Education

(CASE), a national affiliation of 2,800 higher education institutions, recognized Kentucky State's development program as one of the ten best in the United States. In 1988, CASE bestowed upon Kentucky State its highest award, one of only four presented, for "Fund Raising Program Improvement." The other award winners were the University of Miami (Florida); Pennsylvania State University; and Northeastern University (Boston). Of significant importance to CASE in its designation of Kentucky State University was recognition of the institution's limited access to wealth and that the University in 1987-88 had expended less in support of its development program than had been spent by the University during the 1981-82 year ($149,597 in 1987-88 year vs $149,805 in the 1981-82 year).

4. Background

During the period 1979 - 1982, state support of Kentucky public higher education was reduced on three separate occasions. These state reductions were caused by shortfalls in projected state revenues. The reductions reduced the original allocations for public higher education in Kentucky by $74,400,000. Kentucky State University's share of these cutbacks totaled $1,588,400. The reductions affected the state's general fund appropriations to the University (state general fund support for Kentucky State University comprises approximately 55 percent of the University's annual revenues) and hit hardest in the areas of personnel, salaries, maintenance, and learning resources.

Prior to mid-1982, the University did not have a planned and well-developed institutional advancement program. Annual private-source contributions to the University generated less than $80,000 and the institution's 1982 Annual Fund drive in support of contributions that were (are) immediately available to the University netted only $16,473. At the close of Fiscal Year 1982 (June 30, 1982), Kentucky State's endowment totaled less than $58,000. Private-source student scholarship expenditures during FY 1982 totaled only $12,383 and private-source support for academic programs during the FY 1982 year was less than $3,200.

In mid-1982, Kentucky State underwent a transition in leadership. The new University leadership was quick to realize that the institution could no longer rely solely on

public funding if Kentucky State was to achieve all that it could be; private support for the University had to be emphasized and given a high priority.

5. Description

The new Kentucky State University President in early Fall 1982, charged the institution's Office of University Relations with the responsibility for planning, developing, and implementing an institutional advancement program. The charge emphasized the need to generate private-source revenues that were immediately available to the University in support of those programs deemed essential by the institution; and, to generate revenues to meet the long-term needs of the institution as a buffer against the instability of public support.

Specifically, the Office of University Relations was assigned the primary responsibility to assist the University achieve all that it can be through the implementation of a professionally planned and well-managed institutional advancement program.

The Office of University Relations, to meet the new President's vision, established the following long-term objectives:

1. To attract private and public resources for the University that will support those programs deemed most essential by the University;

2. To establish and maintain a supportive alumni constituency that is both appreciative and appreciated;

3. To promote and market widely the image of Kentucky State University as an outstanding academic institution;

4. To produce quality publications and other materials that will enhance the image of Kentucky State University in keeping with the University's revised mission in Kentucky public higher education;

5. To undertake on a regular basis the evaluation and assessment of all institutional advancement programs and to make appropriate revisions in these programs based upon the evaluation and assessment results;

6. To ensure that all professional staff within the Office have the opportunity to grow professionally and to keep abreast of the most recent developments and innovations within their spheres of responsibilities.

To implement these objectives, the Office of University Relations formalized within the institution's organizational structure the following units, all of which report directly to the Vice President for University Relations: 1) Office of Development; 2) Office of Alumni Affairs; 3) Office of Public Information; and, 4) Office of University Graphics.

In a coordinated and extensively planned institutional advancement thrust, the Vice President for University Relations requested that each of the four Units establish long-range and annual measurable objectives that were directly linked to and in support of the new President's emphasis. Following are the goals and objectives that were initially established in 1982 in response to the emphasis placed on institutional advancement:

Office of Development:

Goal: To attract private and public financial resources from the University's various constituencies in support of those programs deemed most essential by the institution and to do so in a professional and cost efficient manner.

Objectives:

1. To broaden the University's base of private financial support through the planning, development, and implementation of a comprehensive Annual Fund Drive that will generate gifts that are immediately available to the institution to meet those needs deemed essential by the University;

2. To enhance the University's endowment in support of student scholarships, academic resources, and faculty enrichment;

3. To implement a comprehensive program of proposal submissions to both public and private funding agencies in support of those programs deemed most essential by the University;

4. To enhance the research component of the development program through the implementation of a computerized database of constituent information;

5. To initiate a planned giving program that will attract major gifts to the institution;

6. To initiate and maintain a comprehensive library of potential major funding sources;

7. To identify and cultivate major prospective donors;

8. To enhance greatly the rate of alumni participation in the University's Annual Fund Drive and in other programs of support;

9. To plan, develop, and implement major capital campaigns and other special fund-raising campaigns that may be required by the University;

10. To disseminate widely the thrusts and results of the University's institutional advancement program;

11. To emphasize a comprehensive program of donor giving clubs;

12. To work closely with the entire University to ensure that proper recognition and awards are bestowed upon volunteers and others who support the institutional advancement effort;

13. To initiate a supportive intercollegiate athletics boosters organization that will attract community and area support;

14. To continuously evaluate and assess institutional advancement programs and to plan, develop, and implement new and revised development programs accordingly.

Office of Alumni Affairs

Goal: To establish and maintain a supportive alumni constituency that is both appreciated and appreciative; to provide an environment for the alumni that will serve to enhance alumni support for University programs.

Objectives:

1. To establish and reactivate alumni chapters in areas containing sufficient numbers of alumni;

2. To gain personal data information for input into an Alumni/Development System (ADS) database;

3. To reduce the number of "lost" alumni through careful and planned research;

4. To increase the number of alumni volunteers working on behalf of the University's fund-raising and student recruitment programs;

5. To initiate a Student Alumni Association program that will acquaint University students with their responsibilities as alumni;

6. To enhance a program of class giving to the University by placing increased emphasis on alumni support of the University through Classes in Reunion programs;

7. To initiate alumni involvement programs that will excite University alumni and increase their involvement;

8. To serve as a conduit for alumni information.

Office of Public Information:

Goal: To initiate and enhance programs that broadly publicize and promote the activities, events, qualities, and achievements of the University and its component units, organizations, personnel, and students.

Objectives:

1. To initiate and publish quarterly a University magazine that is comprised of interesting, factual, informative, and promotional communications about the University and to disseminate this magazine to the institution's various constituencies;

2. To determine the University's public-perceived image in comparison with Kentucky's other public higher education institutions. Initiate marketing and other programs in response to the University's perceived image that will enhance the institution's standing among Kentucky public and private higher education universities;

3. To develop a comprehensive, campus-wide media relations policy for keeping the Office informed about events, incidents, and developments in which there is current or potential public interest;

4. To plan, develop, and implement communication activities and programs with the institution's various constituencies, including University personnel, alumni, friends, and current and prospective donors;

5. To expand the scope (to a national level) of media news and feature releases and press advisories;

6. To increase measurably the amount of University coverage and/or use of Public Information releases by media;

7. To promulgate press attention to the University's academic, public service, and research programs, and to the University's liberal studies emphasis;

8. To develop annually in cooperation with the institution's Office of Admissions a tactical plan for media-based advertising aimed at increasing student admissions;

9. To promote widely and extensively the University's most outstanding attributes, including University programs, personnel, students, activities, and achievements.

Office of University Graphics:

Goal: To produce quality materials that will enhance the image of the University in keeping with the institution's revised mission in Kentucky public higher education.

Objectives:

1. To initiate and disseminate widely among all University personnel a Graphics Manual;

2. To adhere to the operations schedule for printed materials as outlined in the Graphics Manual;

3. To encourage and promote meticulous and timely proofreading of all galley proofs;

4. To refine the production process in a continuing effort to minimize publication cost and production time;

5. To design and print materials and publications that will promulgate and enhance the University's image.

Utilizing the goals and objectives for the Office of University Relations and its component units, the Office of Development, in close cooperation with other academic and support units on campus, initiated during the Fall 1982 Semester a fund-raising program in support of the institution's revised mission in Kentucky public higher education.

From the outset, the Office of Development was cognizant that it must attract financial support that was immediately available to the University (short-range) while, at the same time, initiate programs that would attract long-range investments (endowments) for the University that would provide financial stability for the institution. Further, it was apparent to the Office of Development that the University's various constituencies had to be identified and immediately expanded if the fund raising program was to achieve all that it could be. This research task was initiated during the Fall 1982 Semester in concert with the Office of Alumni Affairs, the University President, and the Vice President for University Relations. (During the Fall 1982 Semester, less than 1,900 University alumni out of 5,000 graduates were listed in the institution's database; only a handful of non-alumni prospective donors were being solicited; only spo-

radic mailings were being utilized to communicate with the institution's constituencies; regular solicitation mailings were not utilized; a research component to identify prospective donors, including alumni, did not exist.)

Prior to mid-1982, the University's development (fund-raising) responsibility was led by the Director of University Relations and included the Director of Sponsored Programs, one bookkeeper, and two secretaries. The 1981-82 budget for the institution's development function was as follows:

ITEM	AMOUNT
Salaries	$108,500
Fringe Benefits	20,805a
Operating Expenses:	
Supplies	2,400
Postage	1,000
Printing	600
Telephone	1,000
Awards/Recognition	500
Miscellaneous (donor cultivation; maintenance, fund-raising expenses)	9,000
Travel	6,000
Total	$149,805

a - computed at 19 percent

During the Fall 1982 Semester, the University's development program was reorganized to include the following personnel: University President (5 percent of his time); Vice President for University Relations (15 percent of his time); Director of Development (100 percent of his time); one Administrative Assistant who also served as a bookkeeper (50 percent of her time); one Administrative Secretary (50 percent of her time); and the Administrative Secretary for the

Office of Alumni Affairs (3 percent of her time). This reorganization during the 1982-83 year resulted in an operating budget for the institution's development program that was $54,150 less than during the previous year.

1982-83 Operating Budget
Office of Development

Salaries	$ 54,500
Fringe Benefits	10,355
Operating Expenses:	
Supplies	2,100
Postage	2,700
Printing	4,000
Telephone	1,000
Awards/Recognition	3,000
Phonathon	3,000
Miscellaneous (donor cultivation; maintenance; training; insurance; fund-raising expenses)	9,000
Travel	6,000
Total	$ 95,655

In the context of Kentucky State University's revised mission in Kentucky public higher education and the new KSU President's vision and emphasis for the institution, following are chronological highlights, by objective, of the University's Office of Development fund-raising programs during the period July 1, 1982 - June 30, 1989.

Objective 1: To broaden the University's base of private financial support through the planning, development, and implementation of a comprehensive Annual Fund Drive that will generate gifts that are immediately available to the institution to meet those needs deemed essential by the University.

During the Fall 1982 Semester, the Office of Development and the Office of Alumni Affairs undertook an extensive program to identify "lost" University Alumni in an effort to enhance the number of identified alumni. This effort con-

tinues through the present day. Further, the Office of Development during the Fall 1982 Semester greatly expanded the number of prospective donors classified as "friends of the University." This was accomplished by utilizing an extensive list of prospective donors that was furnished by the University President and included persons who had written congratulatory letters to him upon his appointment. University vendors were added to the list as were Kentucky's historically black churches, organizations, businesses, and those persons who had in the past donated at least one gift to the institution. The names and addresses that were developed through this research effort were placed into the POISE (People Oriented Information System for Education) database that had been initiated by the Office of Development in August 1982. Mid-way through the Fall 1982 Semester, the first Annual Fund Drive solicitation mailing was distributed to all prospective donors that had been input into the POISE database. The solicitation mailing (approximately 4,000 prospective donors) included a brochure, personalized letter to the constituent group, a pledge card, a self-addressed, stamped, return envelope. University employees were also solicited with this mailing.

Promoting support for the Annual Fund Drive became a major thrust of the Office of Development during the 1982-83 initial year. Annual Fund Drive feature articles were placed in KSU magazine (a quarterly publication prepared by the University's Office of Public Information and disseminated to all alumni, friends, donors, prospective donors, schools, and to other identified groups) along with Annual

Fund Drive advertisements and a tear-away pledge card. During the Spring 1983 Semester, a second Annual Fund Drive mailing was initiated to all persons who had not responded to the Fall mailing. Also, during the Spring 1983 Semester, a Phonathon was initiated during which approximately 1,500 University alumni were telephoned and encouraged to support the Annual Fund Drive. University students were utilized as callers.

During subsequent years, the Annual Fund Drive constituency groups were greatly expanded and in the Fall 1989 Semester included more than 9,000 prospective donors in the following targeted markets: 1) University employees; 2) Alumni Donors; 3) Alumni non-donors; 4) Friends; 5) Prior donors; 6) Parents of full-time students; 7) University vendors. During the period 1982-1989, the Annual Fund Drive included a minimum of two annual solicitation mailings that were personalized by segregated markets; an annual spring Phonathon in which a minimum of 1,000 University alumni were telephoned (callers varied by year and included students, alumni, volunteers, and in the Spring 1989 Semester, a professional calling firm); a personalized mailing during each Spring Semester to prior-year donors who had not responded to the current Annual Fund Drive; feature articles and promotional pieces in every issue of KSU magazine; and, special mailings and promotions.

Objective 2: To enhance the University's endowment in support of student scholarships, academic resources, and faculty enrichment.

In mid-1982, the University's endowment stood at $57,340 and included six scholarship funds and one fund account in

support of the maintenance of the University's oldest building, Jackson Hall. Although the generation of contributions that were immediately available to the University carried the highest priority, the new University leadership in July 1982 recognized that the institution's endowment must be greatly enhanced as a hedge against the uncertainty of future public support and as a standard of institutional financial stability that could be used to attract ever growing numbers of major donors.

During the Fall 1982 Semester, the first attempt was made to generate endowed support for the University. A special fund raising campaign was initiated in September 1982 to generate contributions from University alumni in support of an endowed scholarship named after Dr. Henry E. Cheaney, a retiring professor of history at Kentucky State who had served the institution for nearly 50 years. By December 1982 when the special fund raising campaign had ended, nearly $15,000 had been contributed by University alumni.

Encouraged by this early support for endowment building, the Office of Development began during the Spring 1983 Semester to promote among University alumni the advantages of establishing endowed scholarship and other endowment support fund accounts. During the ensuing years, the Alpha Upsilon Achievement Fund, Rufus B. Atwood Endowed Scholarship, Applied Sciences Student Award Fund, and the M & G Bard Endowed Scholarship added approximately $50,000 to the University's endowment; however, the institution achieved its greatest success with endowment building through three

competitive programs that added nearly $2,000,000 to the institution's endowment during the period 1985-1987.

The first of these competitive programs was initiated by the Office of Development in early 1985 and successfully raised $350,000 in private-source contributions for the University's participation in the Robert R. Moton Memorial Institute's College Endowment Funding Plan (CEFP). The contributions were made in support of an endowed Chair in the Humanities and came from the James Graham Brown Foundation, Louisville, Ky. ($250,000), and from the Charles Stewart Mott Foundation, Flint, Michigan ($100,000). Through the assistance of the Moton Institute, the University's CEFP corpus had an initial value of $750,000 ($350,000 from the Brown and Mott Foundations plus $400,000 from various insurance companies). The interest earnings from the CEFP corpus are used in support of the endowed Chair in the Humanities, the University's first-ever endowed chair.

The second major endowment program launched by the institution came in late 1986 when the University applied for and was accepted into the United States Department of Education's Title III Endowment Challenge Grant Program. Through the Endowment Challenge Grant Program, the U.S. Department of Education agreed to match, dollar for dollar, monies raised by the University in support of an endowment that would assist in the education and preparation of minority and other students who were interested in pursuing careers in the physical sciences, mathematical sciences, engi-

neering, and the life sciences. In early 1987, the University, through competitive proposal submissions, sought to raise from the private sector the necessary monies that would be matched through the Title III Endowment Challenge Grant Program. By the Fall 1987 Semester, the institution had generated through its competitive proposal submissions $360,000 in support of its Title III Endowment Challenge Grant. The contributions were matched by the U.S. Department of Education in September 1987, creating a corpus of $720,000 in support of the education of students who were interested in pursuing careers in engineering and the sciences.

The third major endowment program initiated by the University came in March 1987 when the institution entered the Kentucky Council on Higher Education's competitive program, Endowed Chairs in the Kentucky System of Higher Education, 1987/88. This competitive program was open to all of Kentucky's eight public higher education institutions although only four endowed chairs were to be awarded. In May 1987 Kentucky State was notified that it had been awarded in response to its proposal one of the endowed chairs and, in July 1987, the institution received $500,000 from the Kentucky Council on Higher Education in support of its Endowed Chair in the Humanities.

Objective 3: To implement a comprehensive program of proposal submissions to both public and private funding agencies in support of those programs deemed most essential by the University.

The Office of Development undertook the responsibility in mid-1982 for coordinating and submitting the University's

competitive proposals to outside funding agencies both public and private. During the 1982-83 year, the Office concentrated its efforts in three primary areas: 1) to build a research library of competitive proposal opportunities; 2) to communicate with University faculty and staff about proposal opportunities; 3) to originate among development staff competitive proposals in support of those programs deemed most essential by the University.

During the Fall 1982 Semester, the Office of Development subscribed to several funding source publications, including Standard & Poor's Register, Taft Foundation Reporter, Taft Corporate Giving Directory, Smith Funding Report, The Federal Register, Philanthropic Digest, Corporate Giving Watch, and the Foundation Giving Watch. Information gleaned from these resources was immediately disseminated to appropriate faculty and staff. The Office of Development provided assistance in the form of proposal preparation, research, and typing to those faculty and staff who pursued competitive proposal submissions. During the 1982-83 year, the Director of the Office of Development originated nine competitive proposals that were submitted to nearly 200 funding agencies. Six of the nine proposals originated by the Director were successfully funded. University faculty and staff originated nearly 50 additional proposals during the 1982-83 year, 19 of which were successfully funded.

With a tremendous increase in competitive proposal submissions underway, the Office of Development in the Fall 1983 Semester employed a Director of Sponsored Programs to oversee the University's competitive proposal submissions .

During the period 1982-1989, the University received nearly 150 competitive grant awards and achieved nearly a 40 percent success rate with its competitive proposal submissions. The competitive grant awards received by the University during the seven year period July 1, 1982 - June 30, 1989, totaled nearly $14,000,000. Prior to mid-1982, the University had received only one major grant award from a private funding source. During the 1982-1989 period, Kentucky State received 27 privately funded grant awards that totaled nearly $2,000,000.

During the Fall 1989 Semester, the Office of Development is pursuing the computerization of its research files in an effort to network into distant databases. The purpose of this computerization is to provide more detailed information about funding opportunities to University faculty and staff at a much earlier stage in the proposal process than is now available through hardcopy research.

Objective 4: To enhance the research component of the development program through the implementation of a computerized database of constituent information.

In mid-1982, personal data information on alumni, donors, and friends was being maintained manually. In the Fall 1982 Semester, the Office of Development began inputting into the People Oriented Information System for Education (POISE) software program the personal data that was available on individual record cards. It was quickly recognized by the Office of Development that POISE had limited capabilities and could be used for generating mailing labels, but not much else. During the Spring 1983 Semester,

a search began for a computer software program that would be more suitable for the University's institutional advancement program. The Office of Development reviewed several software programs that were designed for a fund-raising and alumni development system, and further, visited several institutions to see firsthand how their development and alumni affairs software programs operated; however, the University leadership made the decision in 1984 to purchase an integrated software program that would meet the needs of the entire University, including accounting, student services, alumni/development, personnel record-keeping, and purchasing. In 1985, the University purchased from the firm, Information Associates, the software program titled, Series Z. A major component of Series Z was the Alumni/ Development System (ADS) module. The ADS software program is designed for use by development and alumni affairs programs and provides for the personal data input necessary to maintain a research database on donors and prospective donors.

Following the initial training on ADS, and a period of "practice" time with the ADS program, the Office of Development and the Office of Alumni Affairs converted during 1987 all of its development and alumni records into ADS. Since the Fall 1987 Semester, both the Office of Development and the Office of Alumni Affairs have concentrated upon the collection of personal data information for input into the system, e.g., during 1988, a Sweepstakes was devised by the Office of Development that awarded a one-week trip to the Ba-

hamas from among those University alumni who had completed and returned a personal data questionnaire.

The ADS program has the capability for generating mailing labels; for containing a wealth of personal data information, including giving histories, on the University alumni, donors, prospective donors, and friends; and, for providing specialized solicitations based upon common variables of personal data. Each year, approximately 1,000 ADS individual files are updated with personal data furnished by alumni, donors, and friends. The University since 1987 has built a strong database of personal information that will continue to enhance the institution's development program and alumni affairs efforts. During the Fall 1989 Semester, the ADS database contains nearly 10,000 individual record files.

Objective 5: <u>To initiate a Planned Giving Program that will attract major gifts to the institution</u>.

Although the Office of Development has not employed a professional to work within the area of planned/deferred gifts, the institution has realized two or three planned gifts annually since 1982. These gifts in large measure were generated through promotional articles and brochures prepared by the Office of Development to acquaint the University's alumni with the advantages and benefits of planned and deferred gifts.

During the 1984-85 year, the Office of Development undertook an experimental program of encouraging selected University alumni to take out life insurance policies, nam-

ing the University as the beneficiary. The alumni who participated in the program paid the premiums on the policies and gained a significant tax advantage; however, this effort was abandoned after one year as unsuccessful.

Most of the planned gifts received by the University have come in the form of bequests, although some tangible personal properties and long-term securities with significant capital gains have been donated.

In 1988 and 1989, the Office of Development met with selected University alumni in group meetings specifically designed to promote planned giving. It is planned by the Office of Development to continue to promote planned and deferred giving among University alumni; however, the Office does not plan to employ in the immediate future a professional within the Office to work exclusively with planned gifts.

Objective 6: To initiate and maintain a comprehensive library of potential major funding sources.

In mid-1982, the Office of Development did not maintain a library of potential funding sources. During the Fall 1982, the Office subscribed to several funding source publications (See Objective Three), secured valuable research data on Kentucky-based funding sources, and initiated a comprehensive file on funding sources to whom proposals could be submitted.

At the beginning of the Fall 1983 Semester, the Office had created a basic library of funding source data that could be utilized to identify prospective major donors and had also established communication linkages with many

federal agencies for the purpose of identifying at an early stage potential proposal opportunities. During ensuing years, the Office of Development's research library has been greatly enhanced with the addition of books, publications, and newsletters associated with major funding sources. This data is gleaned by the Assistant Director of Development (formerly the Director of Sponsored Programs) and disseminated to the University faculty and staff on a regular (and frequently, immediate) basis. Approximately 50 proposal opportunities are communicated to appropriate University personnel in a typical month.

At the close of the 1989 Fiscal Year, the Office of Development was investigating computer networks that would enhance available funding source research data and the timely dissemination of this data. The Office anticipates that during the 1989-90 year, its basic library of research data on potential funding sources will be computerized and further, networked into other databases.

Objective 7: To identify and cultivate major prospective donors.

Prior to mid-1982, Kentucky State did not have a planned and comprehensive program of major donor cultivation. During the Fall 1982 Semester, the Office of Development identified 25 major prospective donors for intensive cultivation.

During the 1982-83 year, these major prospective donors received from the University (usually from the University President) invitations to campus athletic and other events, invitations to appropriate Presidential receptions, and

copies of appropriate University publications, including the quarterly KSU magazine. As time permitted, meetings with targeted prospective donors were arranged with the University President and other appropriate University officials.

During the ensuing years, the Office of Development's list of major prospective donors has been revised annually and research data compiled on major prospective donors has been greatly enhanced. Most of the targeted major donors have, over the years, made major financial commitments to the institution and many of them have given of their time and efforts in support of the institution. One of the most notable successes realized through this program of major donor cultivation came during Thanksgiving 1983 when the University President met with the Chairman of the Board and Chief Executive Office of Ashland Oil, Inc. (one of Kentucky's largest industries), and with leading Kentucky businessmen, to initiate a major campaign in support of the University's newly created Whitney M. Young, Jr. College of Leadership Studies (this campaign is explained in more detail under Objective Nine, following).

During the summer 1983 the Office of Development, at the request of the University President, began an intensive search for a donor who could lead a major effort to generate scholarship assistance in support of students enrolled in the University's College of Leadership Studies. The Office's search revealed that the former head of Ashland Oil, Inc. in 1949 had made the first ever private-source contri-

bution to Kentucky State ($1,000 to establish a student emergency loan fund) and had over the years continued both corporate and personal financial support for the University. Kentucky State in 1958 named its library after this man. Upon his death, the man's son continued major financial support to the University. The entire history of Ashland Oil, Inc.'s support for Kentucky State was compiled and presented to the current Ashland Oil CEO in October 1983. The result of this research, followed by the University President's request that Ashland Oil head a major campaign for the University, led to the November 1983 Thanksgiving luncheon at which Ashland Oil agreed to lead the largest fund raising campaign in the University's history up to that time ($480,000 for scholarships).

Objective 8: <u>To enhance greatly the rate of alumni participation in the University's Annual Fund Drive and in other programs of support</u>.

During the 1981/82 year, less than four percent of the University's identified alumni financially supported the institution. Further, less than one-half of the University's alumni were considered to be identified with correct addresses.

The Office of Development during the Fall 1982 Semester began an intensive campaign to locate the institution's "lost" alumni. This effort was concentrated through the efforts of local Alumni Chapters to identify alumni where the last know alumni addresses were listed within the Chapter's geographic areas, and through careful and meticulous research in the University's Office of Records and Registra-

tion. Further, lists of "lost" alumni were published in University publications, most notably KSU magazine, and area city Directories were researched for additional "lost" alumni. Within two years, the Office of Development and Alumni Affairs had increased the number of identified alumni from less than 1,900 to 3,400.

The Office of Public Information, Alumni Affairs, and Development during the Fall 1982 Semester initiated well-planned, professionally printed, and regular communications with the University's alumni in efforts to reacquaint them with their Alma Mater; to explain the importance of their financial contributions to the University; and, to provide opportunities for active alumni involvement. These communications were, from the outset, considered to be crucial to the success of increasing alumni participation in the University's Annual Fund Drive and in other special fund raising programs. During the period 1983-1989, alumni received from the University an average of one major communication monthly.

In addition to printed communications (considered to be first level cultivation), thousands of University alumni beginning during the Spring 1983 Semester have been telephoned (through the Office of Development's annual Phonathon in support of the Annual Fund Drive) by students, alumni, University employees, volunteers, and during Spring 1989, by a professional Phonathon firm, in efforts to gain their active involvement (these telephone contacts are considered to be second-level cultivations). The number of telephone con-

tacts have varied from approximately 1,000 in Spring 1989 to as high as 2,200 in Spring 1987, and have proven to be quite effective in gaining alumni participation.

The Office of Alumni Affairs beginning in the Fall 1982 Semester initiated a planned campaign to reactive alumni chapters in areas where these chapters had disbanded; to inaugurate new chapters where sufficient alumni reside; and, to motivate existing alumni chapters to seek new memberships. The number of active alumni who are involved with local and area alumni chapters has steadily increased over the years as have the number of active alumni chapters.

The University President in Fall 1982 began to personally cultivate the institution's alumni through personal visits to local alumni chapters and by involving University alumni in campus events and activities (third-level cultivation). The institution's Fall football homecoming and spring commencement activities were greatly enhanced to ensure more alumni participation, and the National Alumni Association expanded its annual summer meeting of University alumni so that attendance would be increased. The regional alumni associations also enhanced their annual meetings so that more alumni would be encouraged to participate.

During the 1986 calendar year, Kentucky State celebrated its Centennial anniversary. The year-long celebration offered a variety of activities for alumni involvement, including concerts and many special performances of national reknown. The University's first-ever alumni directory was published in 1986 and made available to all University alumni. Special fund-raising programs in recognition of the

Centennial were undertaken, and intercollegiate athletic events in many instances became celebrations of the Centennial. During homecoming 1986, the University's 100 Outstanding Alumni were recognized at a formal banquet attended by hundreds of alumni and friends.

Subsequent to the 1986 Centennial celebration, several alumni involvement programs were initiated by the Office of Alumni Affairs or are in the planning phase, including an Alumni Ambassadors program (student recruitment), a Student Alumni Association, enhanced Classes in Reunion campaigns, a University Speaker's Bureau comprised of alumni, a reactivated K-Club of former intercollegiate athletic letter winners, Alumni Travel Packages, an Alumni Band, and an Alumni Choir.

Objective 9: To plan, develop, and implement major capital campaigns and other special fund raising campaigns that may be required by the University.

The Office of Development during the period 1982-1989, undertook two successful major campaigns, completed a feasibility study in support of a major capital campaign, and implemented several minor special fund raising efforts including the Henry E. Cheaney Endowed Scholarship campaign that is mentioned under Objective Two, preceding, and during the University's 1986 Centennial year, the Office headed a special fund-raising effort among University alumni to generate from each of the institution's 19 local alumni chapters a special Centennial gift of $1,500 in support of Centennial scholarships.

The two major successful campaigns implemented by the Office included the Ashland Oil, Inc. campaign to generate scholarship assistance in support of students enrolled in the Whitney M. Young, Jr. College of Leadership Studies (See also Objective Seven, preceding), and The Venture Fund campaign to generate $1,000,000 in private source support prior to the end of the University's 1986 Centennial year.

Ashland Oil, Inc. agreed during the Thanksgiving holidays 1983 to head a campaign in support of scholarship assistance for students enrolled in the newly created Whitney Young College of Leadership Studies. Ashland Oil agreed to match the first twenty, four-year scholarships donated by private businesses. Full, four-year scholarships were valued at $12,000 each. Ashland Oil agreed, then, to match $240,000 in contributions from other businesses. This made the total campaign goal $480,000.

The Office of Development in December 1983 compiled a list of major prospective donors for the Ashland Oil campaign. The list was garnered from the Office's research library, and from suggestions provided by Ashland Oil and the University President. In January 1984, the University President sent letter proposals in support of the Ashland Oil scholarship campaign to the targeted prospective donors. In April 1984, those prospective donors who had not responded were selected for personal visits by the University President and/or representatives of Ashland Oil. The personal visits were undertaken during May-July 1984 with follow-up contacts being made in early Fall 1984. By December 1984, private-source contributions reached $240,000 from a

plished in large measure through their contributions. Also, major donors to the institution's endowment building thrust have received letters from the University President that enumerate status reports on their contributions. The Office of Development staff have been guest speakers at many civic and fraternal meetings at which the University's institution- al advancement program has been the major topic. At the close of the 1989 year, the Office was investigating the use of video in its future campaigns and as a reporting media to donors, alumni, and prospective donors.

Objective 11: To emphasize a comprehensive program of donor giving clubs.

For many years, the University has utilized Giving Clubs as one means of recognizing donors. Donors who contribute $25 or more during a fiscal year are classified by giving amount into one of six Giving Clubs: $25-$99 Donor Recognition Club; $100 - $249 Century Club; $250 - $499 University Patron Club; $500-Plus Green and Gold Club; $5,000 - $9,999 Over Ten Years Thorobred Club; $10,000 and Over During Ten Years President's Club. Members of the Donor Recognition Club (and all other clubs) have their names printed in the KSU Foundation Annual Report; members of the Century Club, University Patron Club, and Green and Gold Club receive bronze paper weights with designations for five-year giving records; members of the Thorobred and President's Club receive one-time bronze wall plaques.

At the close of the 1989 year, the Office of Development was investigating the feasibility of initiating a Trailblazer Club for donors who had contributed $25,000 or

more during the past ten years. Seventeen donors had been identified for this new club.

Objective 12: To work closely with the entire University to ensure that proper recognition and awards are bestowed upon volunteers and others who support the institutional advancement effort.

For many years, the Office of Development has been cognizant that donors and volunteers appreciate recognition and sincere expressions of gratitude. The Office considers this element of its institutional advancement program as extremely important and critical to any future success that may be attained.

All contributions to the University are acknowledged within 24 hours of receipt with a donor receipt and a personally signed letter of appreciation. Donors who contribute $1,000 or more also receive within three working days of the gift's receipt a letter of appreciation from the University President.

Donors are also classified into Giving Clubs and receive annually appropriate recognition for their support (See Objective Eleven, preceding). Major donors to the University are frequently hosted at special University events and activities at which their support is recognized. The University President has on many occasions hosted major donors and other volunteers at appreciation luncheons and banquets.

Feature articles are frequently written by the Office of Development for publication in KSU magazine in which major donors and volunteers are recognized. These feature articles have included recognition for those University

reducing basic membership dues while continuing to offer higher levels of membership. During the 1982-83 year, 112 memberships were solicited for the Green Club. Most of these memberships were sold to local businessmen and other local friends. During the 1983-84 year, Green Club promotion was greatly expanded to include University alumni and University employees. During the 1984-85 year, paid media advertising was pursued to promote Green Club memberships and the program was expanded to include all of the University's intercollegiate sports, not just men's basketball. Further, special Green Club literature was prepared and widely disseminated to targeted constituents. During the 1987-88 year, Green Club membership had grown to 183 memberships. The continued growth of the organization was largely attributable to the many planned activities for Green Club members, including road trips to away athletic contests, hospitality occasions at all home football and basketball games, and special social occasions planned for the membership. During the 1988-89 year, Green Club memberships reached 210 with 43 percent of the memberships coming from University employees. At the beginning of the 1989-90 year, it was anticipated that the Green Club would reach 275 memberships by the end of the academic year.

The Green Club is headed by a President who serves for one fiscal year. The President is assisted by former Presidents of the Green Club who serve as an advisory and volunteer support group. All expenditures in support of the intercollegiate athletic program are channeled through the Office of Development to ensure that NCAA rules and regula-

tions are followed. Included in the basic Green Club membership are two season tickets for all football and men's basketball games and free parking at home athletic events.

Objective 14: To continually evaluate and assess institutional advancement programs and to plan, develop, and implement new and revised development programs accordingly.

From the outset in mid-1982, the Office of Development has been cognizant of the importance of assessing and evaluating its institutional advancement programs.

During the Fall 1982 Semester, the Office prepared its initial goals and objectives (included in this report) as part of the Kentucky State University Five Year Plan, 1983-1988. The goals and objectives were based upon the new University President's vision for the University.

Preliminary to the development of the Office's goals and objectives was an assessment of the University and its internal and external environments. This was followed by the development of the University's goals and the development of planning assumptions for all University units. The purpose of the Office of Development was defined by the University President and the Vice President for University Relations. The Vice President for University Relations and the Director of Development assessed the Office of Development's capabilities, including strengths and weaknesses, prior to defining the Office's objectives. Within the constraints of limited resources and limited institutional advancement experience, the Office of Development's goals and objectives were identified.

In addition to the planning incorporated for the Kentucky State University Five-Year Plan, 1983-1988, the institution's five-year plan was updated in 1987 to incorporate the period, 1987-1991, and updated again in 1988 to cover the period, 1989-1994. Further, the entire University underwent in March 1989 reaccreditation by the Southern Association of Colleges and Schools (SACS), the institution's primary accrediting association. Subsequent to the actual on-site visit by the SACS team, the University beginning in Fall 1987 underwent a University-wide Self-Study in preparation for SACS reaccreditation. The 18-month Self-Study evoked meticulous examinations of University programs, including institutional advancement. The Self-Study offered the Office of Development an analysis by University personnel not directly associated with the institutional advancement program. This analysis proved most helpful from the standpoint of perceived perceptions and for garnering new ideas.

In early 1986, the University's institutional advancement effort underwent an independent management audit by the firm, Snelling, Kolb & Kuhnle, Washington, D.C., and by the firm, The Ingersoll Group, Inc., Englewood, Colorado. The purpose of this comprehensive management audit was to identify strengths and weaknesses in the University's institutional advancement program and to develop programs in response to the identified strengths and weaknesses. The areas included in the management audit were: development; alumni affairs; public information; student recruitment;

financial aid; and the student admissions process. Most of the outcomes of this independent audit have been incorporated by the Office of Development.

6. Results

Following are the most significant results achieved by the Office of Development during the period 1982 - 1989 with its fund-raising program:

1. Increased the University's Annual Fund Drive from $16,473 in Fiscal Year 1982 to $339,825 in Fiscal Year 1989. During the five-year period 1985-1989, the University's Annual Fund Drive averaged $394,722 for each of the five years.

2. Increased total private-source giving to the University from $78,866 in Fiscal Year 1982 to as high as $739,969. During the five-year period 1985-1989, private-source giving to the University averaged $529,838 for each of the five years.

3. Increased the number of private-source donors to the University from 440 in Fiscal Year 1982 to 1,378 in Fiscal Year 1989. During the five-year period 1985-1989, the number of private-source donors to the University averaged 1,225 for each of the five years.

4. Increased the University's endowment from $57,340 in Fiscal year 1982 to $2,289,701 in Fiscal Year 1989.

5. Increased the percentage of alumni who support the University's Annual Fund Drive from 3.9 percent in Fiscal Year 1982 to 16.4 percent in Fiscal Year 1989.

6. Increased the number and amount of successfully funded proposals to outside funding agencies from 14 successful proposals in the approximate amount of $1.2 Million in Fiscal Year 1982 to as high as 20 competitive grant awards in the total amount of slightly more than $2.0 Million. During the five-year period 1985-1989, the University submitted 216 competitive proposals, 90 of which were successfully funded in the total amount of $7,661,150. The University's 41.7 percent success rate with its competitive proposal submissions is considered to be outstanding in the context that Kentucky State is primarily a Liberal Studies institution with an emphasis upon teaching, not research.

year period when utilizing the two basic criteria for gauging the success of any fund-raising program: 1) the institution's access to wealth; and, 2) the amount of resources committed by the University to its development program.

Particularly significant to the institution's fund-raising success was the adverse environment within which the results were attained. Independent surveys revealed that Kentuckians perceive Kentucky State University to be less prestigious than the Commonwealth's other seven public higher education institutions, and the University continued to receive media criticism throughout most of the 1982-1989 period with a particular concentration of public media criticism generated during the period 1987-1989. Most of this criticism centered upon the University's high rate of personnel turnover, personnel unrest, and upon selected major expenditures of the Kentucky State University Foundation, Inc.

The concepts and methods utilized by the University in the implementation of its development program are easily transferable to other higher education institutions. It is particularly recommended that institutions know and understand the environments within which their development programs are implemented, and that significant emphasis be placed upon planning, research, and evaluation of development programs.